

**IN THE UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF TEXAS  
SAN ANTONIO DIVISION**

**FILED**

**MAR 04 2025**

CLERK, U.S. DISTRICT COURT  
WESTERN DISTRICT OF TEXAS  
BY T. J.  
DEPUTY CLERK

**Zejun Xiao, et al.,  
Plaintiffs,**

**v.**

**Nano-X Imaging Ltd.,  
Defendant.**

**SA25CA0242 OG**

**Case No. [Insert Case Number]**

**COMPLAINT FOR SECURITIES FRAUD**

Plaintiffs, Zejun Xiao, et al., hereby allege as follows:

**I. NATURE OF THE ACTION**

1. This is a securities fraud action arising under the Securities Exchange Act of 1934, as amended, and other applicable federal securities laws. This action seeks redress for violations of the federal securities laws, including, but not limited to, fraud and misrepresentation by Nano-X Imaging Ltd. ("Nano-X" or the "Company") and its officers and directors.
2. Plaintiffs bring this action on behalf of themselves. Plaintiffs purchased or otherwise acquired securities of Nano-X between the Period of August 21, 2020, and November 17, 2021 ("the Period"), by paying artificially inflated prices for Nano-X securities and suffered damages as a result of the Defendants' fraudulent conduct.

**II. JURISDICTION AND VENUE**

3. This Court has jurisdiction over this action under 28 U.S.C. §§ 1331 (federal question) and 15 U.S.C. § 78aa (Securities Exchange Act).
4. Venue is proper in this District pursuant to 28 U.S.C. § 1391 because a substantial part of the events or omissions giving rise to the claims occurred in this District, and the Defendant conducts substantial business in this District.

### III. PARTIES

#### Plaintiffs

5. Plaintiff Zejun Xiao is an individual who, during the Period, purchased or acquired Nano-X securities and suffered damages as a result of the fraudulent conduct alleged in this complaint.
6. Plaintiff Zhenmei Liu is an individual who, during the Period, purchased or acquired Nano-X securities and suffered damages as a result of the fraudulent conduct alleged in this complaint.
7. Plaintiff Michelle Xiao is an individual who, during the Period, purchased or acquired Nano-X securities and suffered damages as a result of the fraudulent conduct alleged in this complaint.

#### Defendant

8. Nano-X Imaging Ltd. is a publicly traded company headquartered in Neve Ilan Industrial Park, Neve Ilan, Israel, engaged in the development of imaging technology. Nano-X's stock was publicly traded during the Period on NASDAQ, and the Company is subject to the securities laws of the United States.
  9. At all relevant times, Defendant Nano-X Imaging Ltd. and its former CEO Ran Poliakine ("Poliakine") participated in or knowingly caused the fraudulent actions outlined below.
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### IV. FACTUAL ALLEGATIONS

10. **Background of the Company:** Nano-X is a medical technology company focused on developing imaging systems and solutions. The Company is publicly traded, and during the Period, its securities were actively bought and sold by investors.
11. **False and Misleading Statements:** Between the Period of August 21, 2020, and November 17, 2021, Defendants made multiple public statements in filings with the U.S. Securities and Exchange Commission (SEC), earnings calls, press releases, and other communications, which were materially false and misleading. These statements related to manufacturing costs, the effectiveness of Nano-X's products, financial performance, and other misrepresentations or omissions.
12. Plaintiffs allege that Nano-X and Poliakine falsely claimed the Company could large-scale manufacture the Nano-X.ARC, an unsupported low-cost alternative to existing X-ray devices, that functioned at least as well as existing X-ray imaging technology, and amplified the X-ray equipment and machine's marketing prospects. Plaintiffs would not have purchased Nano-X securities at inflated prices, or at all, had they known that the market prices were falsely inflated by Nano-X and Poliakine's misleading statements.
13. Plaintiffs allege that Defendants made false and misleading statements between August 21, 2020, and September 15, 2020, claiming that Nano-X would quickly acquire

regulatory approval for its Nano-X.ARC imaging system and projecting revenues from customer contracts, while intentionally failing to disclose that regulatory approval was unlikely to materialize, as the product had not been adequately developed, and the claimed customer contracts were not as represented.

14. Plaintiffs further allege that Defendants made false and misleading statements during the Period, claiming that its imaging system could be manufactured at much lower costs than current systems and functioned as well as existing X-ray technology. Both claims are false reports.
15. **Discovery of the Fraud:** Plaintiffs discovered the true nature of the fraud in November 2023 when they received a Claim Form for Class Action Settlement through regular mail. Prior to this discovery, Plaintiffs relied on the false and misleading statements made by Defendants.
16. **The Misleading Nature of the Statements:** Defendants' statements misrepresented the Company's operations, manufacturing, and financial outlook. Specifically, Defendants negligently misrepresented the cost to manufacture the Company's flagship imaging device, the Nano-X.ARC. These statements were made with the intent to deceive investors, including Plaintiffs, into purchasing Nano-X securities at inflated prices.

## V. CLAIMS FOR RELIEF

### Count I: Violation of Section 10(b) of the Securities Exchange Act and Rule 10b-5

17. Plaintiffs incorporate by reference all preceding paragraphs as though fully set forth herein.
18. During the Period, Defendants, in connection with the purchase or sale of securities of Nano-X, made material misstatements or omissions with respect to the business, manufacturing, financial condition, and operations of the Company, in violation of Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5.
19. As a direct and proximate result of Defendants' wrongful conduct, Plaintiffs suffered damages in connection with their purchase of Nano-X securities.

### Count II: Violation of Section 20(a) of the Securities Exchange Act

20. Plaintiffs incorporate by reference all preceding paragraphs as though fully set forth herein.
21. Defendant Ran Poliakine was a controlling person of Nano-X and acted with a requisite degree of knowledge or recklessness in making the misleading statements or omissions described above.

## VI. DAMAGES

22. As a result of the fraudulent conduct of the Defendants, Plaintiffs suffered economic losses. Plaintiffs have sustained substantial damages in an amount of \$89,258 to be proven at trial.
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## **VII. PRAYER FOR RELIEF**

WHEREFORE, Plaintiffs respectfully request that this Court:

- A. Award Plaintiffs' damages, including interest, in an amount of \$103,548 to be proven at trial.
  - B. Award Plaintiffs reasonable attorneys' fees, costs, and expenses incurred in this action.
  - C. Grant such other and further relief as the Court deems just and proper.
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## **JURY DEMAND**

Plaintiffs hereby demands a trial by jury on all issues of facts and damages stated

Dated this March 3, 2025

**Zejun Xiao**  
Plaintiff, Pro Se

